

Meeting of 2006-5-16 Special Meeting

MINUTES
LAWTON CITY COUNCIL SPECIAL MEETING
MAY 16, 2006 - 6:00 P.M.
WAYNE GILLEY CITY HALL COUNCIL CHAMBER

Mayor John P. Purcell, Jr. Also Present:
Presiding Larry Mitchell, City Manager
 John Vincent, City Attorney
 Denise Ezell, Deputy City Clerk

Mayor Purcell called the meeting to order at 6:05 p.m. Notice of meeting and agenda were posted on the City Hall notice board as required by law.

ROLL CALL

PRESENT:

Rex Givens, Ward Two

Janice Drewry, Ward Three
Keith Jackson, Ward Four

Robert Shanklin, Ward Five

Jeffrey Patton, Ward Six (Entered late 6:10 pm)

Stanley Haywood, Ward Seven

Randy Warren, Ward Eight

ABSENT: Bill Shoemate, Ward One

CONSIDER APPROVAL OF MINUTES OF LAWTON CITY COUNCIL MEETING OF APRIL 11, 2006 and APRIL 25, 2006.

MOVED by Drewry, SECOND by Givens, to approve the Minutes of April 11, and April 25, 2006. AYE: Givens, Drewry, Jackson, Shanklin, Patton, Haywood, Warren. NAY: None. MOTION CARRIED.

BUSINESS ITEMS:

1. Discussion of Preliminary Budget.

Mitchell apologized they hadn't practiced their presentation very much and they may be jumping around. Rick Endicott, Finance Director, has been sick the last two days and was gone to a conference the week before. The week before that Mitchell was gone. If there are disconnects in the presentation he apologizes. All the information you need should be in the handout.

Mitchell stated the Preliminary Budget is broken down into two parts. The first part is the Preliminary Budget which we will focus on tonight. The second part is all the departmental support materials you may need when looking at individual departments. All the detail is in the second part. He included in the front jacket of the Preliminary Budget a copy of the narrative he will be using as an outline.

Mitchell stated he wanted to focus on a couple of things. He will try to give an overview of how we collect and spend our money. Then he will focus on four issues he believes are important and fairly major when talking about the budget for this year. First are the untouchables or the uncontrollable. Second are recommendations in changing some of the revenue rates. He will talk a little about Capital Outlay and finally will touch on fund balance.

Mitchell showed a slide that is an overview of the revenue pie. It shows we collect seventy-five percent of our revenue sales tax and forty-five percent from utilities. Eighty percent of the revenue pie comes from our utilities and sales tax.

Mitchell stated on the expenditure side you have a similar story. We have four departments, which he calls the Mega Departments, Public Works, Police, Fire and Parks and Recreation. These departments make up seventy-nine percent of our expenditures. On the revenue side you have sales tax and utility rates and on the expenditures

side you have four departments that comprise the majority of the expenditures. If you keep this as an idea or concept in the back of their minds you will see if you don't make major changes in sales tax collections or your utility rates then the revenues may remain flat. If you don't make major changes in all four major departments then it is difficult to cut expenditures.

Mitchell stated the City Wide Budget Summary shows you the difference between the budget that was adopted for FY 05-06 and the proposed budget for FY 06-07. You will see the major categories are Personal Services, Materials, Supplies, Other Services and Charges, and Capital Outlay. You can see the percentage change in each category and the total where the budget for all accounts will be increasing by about \$4,000,000.

Mitchell stated you can see some similarities when you look at comparing one budget to the next. The similarities are in the carryover. The carryover for FY05-06 was \$4.2 million and the carryover for the coming year is right above \$5,000,000. It is about an \$800,000 difference. There is a lot of growth between the two years budget wise. We are also projecting a budget fund balance at the end of the year which is very close to where we ended last year. The proposal last year was if all revenue and expenditures held we would end up with a \$1.6 million fund balance and this year we are projecting \$1.8 million. This is just under one percent.

Mitchell stated on the expenditure chart it shows the history of our expenditures. You will see that in the first three or four years in the chart the total expenditures were flat. The second year it dropped. FY 01-02 dropped below 00-01 and it stayed this way for about three years. When you look at where we are today and how we are trying to gain ground you can see the effect we had two or three years with a State recession and the budget problems we had in FY 02-03. If you look at Capital Outlay you see in FY 01-02 we were budgeting \$2.6 million and the next year it was only \$880,000. You see a similar story when looking at personal services. Personal services dropped almost two million dollars between 2001 and 2002. It has taken us the last three years to try and get back. In the past year our expenditure budget started to move upward.

Mitchell stated with this as background he wants to talk a little about what he sees as the uncontrollables. There are several uncontrollables. First is the chemical cost we have experienced. There has been a fifty percent jump in chemical costs. From last year to this year we feel chemicals will rise about half a million dollars. We feel fuel and utilities will increase by about twenty-five percent for another \$815,000, which total about \$1.3 million. Without even starting the discussion about expenditures our budget is \$1.3 million higher than the current year.

Mitchell stated the second untouchable is the cost of living increase and COLA's provided to fire, police and general employees. This is \$2.5 million over the current year. If you combine these two together you are right at a \$4.0 million increase in the expenditure budget before you start talking about adding capital equipment, programs, or staff.

Mitchell stated they were recommending adding nine people to the current employee list. The Director of Emergency Operations was a position the Council directed to include in the budget. We are recommending eight other positions: three firefighters, two police officers, one lab technician, GIS programmer, and an Assistant Human Resources Director. As we go through the individual departments we will discuss a little more about the reasons for adding the positions.

Mitchell stated you will see a similar story on revenues. You will see for three years it was a gradual growth and then we started picking up in FY 03-04 and 04-05. We were seeing healthy increases in both sales tax and use taxes over the last couple of years. Remembering when we looked at the revenue pie chart we showed between utility fees and sales tax they comprised about eighty percent of the budget. If this is compared to Texas and Missouri, Texas receives thirty percent in ad valorem tax to support their general operating fund and Missouri has about twenty percent. The only ad valorem tax in Oklahoma we receive are those paying off judgments and claims against the City.

Mitchell stated with this as the backdrop he would like to talk about sales tax. With our sales tax projections in FY 05-06 you will see we are growing our sales tax by three to three and one half percent a year over the last three years. We are recommending in this year's budget to include a three and one half percent increase in sales tax and about an eight and one half percent increase in use tax. Right now we are experiencing a healthy growth in sales tax. You can see we are very dependant upon sales tax. What we don't collect in sales tax we have to collect in utilities. The point here is if you take the sales tax number and use a straight line formula of five percent and saying sales tax will grow five percent on twenty million this would be a million dollars. If you say the personnel cost will go up five percent and this number is forty million then you have twice as much. Using the same percentage of sales tax to wage and benefit cost you can see your gap between revenue and expenditures is a million dollars. The only way to make this revenue gap up is through raising fees or raising utility rates.

Mitchell stated this is the same history line for water sales. There was a little bump in FY 03-04. We had some one time revenues with a settlement from Bar-S. We re-negotiated some contracts which bumped FY 03-04 revenues up about \$600,000 or \$700,000 above normal. There is a steady incremental growth in water sales collections.

Mitchell stated what is being recommended for FY 06-07 is a three and one half percent increase in sales tax and that Council approved a water/sewer rate increase of three and one half percent. Two years ago Council passed a Resolution saying they felt we should be raising the rates each year by some form of rate of inflation or CPI. We did not do this last year. We had a healthy revenue stream last year and it was decided not to raise the rates. Also in addition to asking Council to raise water/sewer rates we expect about a one and one half percent growth in sales on top of the three and one half rate increase. We are also asking Council to raise sanitation collections fees one dollar. This would raise the charge from \$11.17 to \$12.17. We feel this one dollar increase will help offset the cost for the twenty-five percent increase in fuel and five and one half percent increase in personnel. Fuel usage City wide was looked at and almost half of the fuel went to Solid Waste Collection and Solid Waste Disposal. This is a very intensive use. Twice a week pickup and the heavy equipment at the landfill that consumes a lot of fuel and the operation at the landfill.

Mitchell stated they were also asking for a fifty cent increase in the drainage maintenance fee. We have done very well at maintaining our drainage systems and we need the fifty cent increase in the fee to offset the extra cost in personnel and extra cost in Capital Outlay Capital Equipment.

Mitchell stated in the Utility Survey Chart, done by OML every two years, shows the current position when compared to sixteen other cities in Oklahoma.

Shanklin asked if the charts were in the narrative. Mitchell stated no. They are in the Preliminary Budget Book.

Mitchell stated you could see Lawton's position there relative to the other fifteen cities in Oklahoma. Our cost on average for five thousand gallons of water/sewer, refuse collection twice a week is \$35.60. The average is \$40.24 and you can see there are two communities that are over fifty. We know that Oklahoma City has announced they will be raising their rates sixteen percent over the next four years. This will get them close to \$50.00.

Patton asked why Norman was so much lower than ours as far as water. Givens stated because they are funded by utilities. They have an electric utility. Shanklin stated they don't furnish water to the University of Oklahoma. The University of Oklahoma has its own well. Givens stated plus they are funded by utilities. Mitchell agreed. Shanklin stated without the University that is twenty thousand people. Givens stated they have funding from a utility that Lawton doesn't have. Patton stated to offset the cost. Givens stated yes. Mitchell stated what is curious about the chart is Stillwater. The City of Stillwater has an electric utility but their rates are somewhat higher. Patton stated Duncan does also. This is the overview for revenue and expenditures. I have covered both revenues what he considers the untouchables.

Mitchell stated the next chart is a summary of the general fund budget. The City's preliminary proposal for FY 06-07 will show an increase of just over \$3,000,000 in the general fund. It will increase from \$42,024,000 to \$45,151,000. This is about a seven point four increase. If you look at the narrative, the introductory sentence is followed by summaries for each department in the general fund. It summarizes their proposed budget for the same categories that you were shown earlier such as personnel services, maintenance supplies, other services and charges, and capital outlay.

Mitchell stated finally he would like to touch on capital outlay. You saw on the expenditure chart the City has made a concerted effort to fund to the greatest extent possible the purchase and replacement of essential capital equipment. Capital equipment request from each of the Cities operating departments this year total over \$5,000,000. For FY 06-07 we are recommending a capital outlay budget of \$3.7 million which is down about three hundred thousand from the previous year. The \$3.7 million is broken into three categories. The general and enterprise funds will pay for \$1,149,870, the capital outlay rolling stock fund will pay \$1,444,000. This is a direct correlation to the three dollars on the utility bill. This is about what we generate off of the three dollar charge.

Patton asked if this was 1.4 or one million. Mitchell stated it was 1,444,000.

Mitchell stated the special or dedicated funds which count for \$1,445,140. The observation here is you can see the impact of the uncontrollables a little on capital outlay. If we were going to fund capital outlay at last year's level, without any changes in revenues, we would have to reduce our fund balance by \$300,000 which would give us about \$1.5 million on our carryover. Or we would have to eliminate most of the new positions that are recommended to be added to this year's budget.

Mitchell stated this is where he would like to leave the discussion open for questions. He feels there are a couple of things that were discussed last year on how to fund capital outlay. One of those we had a brief discussion on dedicated sales tax of either a quarter cent or half cent. This will require a vote from the community to support this. If you did a five year one quarter cent sales tax you could generate about \$2,000,000 a year. Maybe you would want to split this between a road program and capital equipment. You might want to increase the charge we have on our utility bill. A one dollar increase on the utility bill would generate somewhere between \$300,000 and \$400,000. This will not pay for a lot of equipment. Perhaps some sort of combination may be capping the

hotel/motel tax and using this fund for infrastructure improvements. Something mentioned in the narrative if the forty or fifty million that we anticipate we will have to spend on infrastructure to meet the demands for growth we are expecting over the next five years.

Mitchell stated you can see, even though we are not \$4,000,000, at this point we don't have a lot of discretion as to how we spend the extra dollars. This is a lot of material and he has tried to make it as general and global as possible. Mitchell asked if there were any questions.

Mayor Purcell asked under the capital outlay the \$1,444,000 is this just the rolling stock?

Mitchell stated this is rolling stock only. Mayor Purcell asked if this was the only thing going into capital outlay this year is rolling stock or is there other capital outlay? Mitchell stated we are spending other capital outlay money in each of the operating departments in the general fund. Mayor Purcell asked if this capital outlay is the rolling stock dollars? Mitchell stated that is correct. Mayor Purcell stated the total capital outlay expenditures are more than this. Mitchell stated yes \$3.7. A little over a million of this is special funds, which is the Sewer Rehab Program. We are also funding about \$1.1 million in the general fund and the enterprise fund that is over and above the rolling stock. Mayor Purcell stated he thinks what was done, Vincent is to check so we will have it Thursday night, we may need to change the name. Remember they changed the name from capital outlay he thought to rolling stock, Vincent thinks motor equipment, and we need to designate this so we know. Capital outlay is really more than just this. This is the \$3 and however we designate it. Mitchell stated this is correct. Our position and our approach was the only capital equipment we funded through the \$3 was rolling stock. Mayor Purcell agreed. But we are calling this capital outlay and it seems to be confusing because capital outlay expenditures are more than \$1.4 million. We need to find out what this is and change the \$3 we are calling capital outlay to something more descriptive.

Shanklin stated the original intent of capital outlay didn't cover it. Mayor Purcell agreed. But there is more capital outlay than just this. To me it is confusing. We voted last time to change the wording.

Patton asked if on the capital outlay the \$3.7 million that we say is capital outlay is 100% of this going towards a rolling stock type outlay. Mitchell stated no. This includes everything we are spending in the general fund for computers, desk and other types of equipment. Patton asked if just the \$1.4 is the rolling stock. Mitchell stated yes. This doesn't mean we aren't buying rolling stock in the general fund. We may be buying pickups and other things in the general fund with general fund money. We are just saying everything we are buying through that rolling stock \$3 capital outlay is rolling stock. We are not buying computers or anything else.

Givens asked what the limitation on sales tax is. Can we only do so much? Mitchell stated no. It is whatever the citizens of the community will tolerate. Givens stated there is no maximum. Mitchell stated no. You have a quarter cent sales tax that will come off in June of 2007 that supports Goodyear and then one the following year for the jail quarter cent. Patton asked if the jail is in 2008. Mitchell stated yes. Jackson stated he wants everybody to understand this is not Goodyear support tax. This is a quarter cent that helped with the construction expansion. There will be no need for this to continue. Patton stated the jail tax was just to build the jail.

Mayor Purcell stated this can't be moved to the general budget. We will have to go out and do it again. Patton agreed. Vincent stated this was a county tax and it would have to be voted on.

Givens stated he liked Mitchell's quote at the end of the narrative. Mitchell stated the quote was his indirect way of saying Thank You to the Mayor and Council for putting up with everything. It is a real compliment to the staff knowing that people are interested to volunteer and run for City Council and take some of the abuse. It was borrowed from the local paper. It really captures what we are talking about.

Jackson stated the quarter cent sales tax that is currently going towards Goodyear and partially funding CCID he feels the City of Lawton in conjunction with BRAC and the building growth and building boom that is taking place here in Lawton we are really beginning to get into problems with infrastructure. He is referring to the basic infrastructure such as sewer line systems. He just found out that east Lawton is virtually stopped now with growth because of the sewer system. We have one sewer line that has more capacity. The rest are overloaded.

Shanklin stated if we had built the Nine Mile Creek five or ten years ago how cheap it would have been. Jackson stated but we didn't. The point is we didn't and I do believe it would be appropriate for a Council Committee and Manager to explore the quarter cent sales tax that is currently going to construct Goodyear. We need to identify and earmark and restrict an enterprise fund of that quarter cent sales tax to capital improvement/capital outlay, more so capital improvement projects such as infrastructure roads, sewer and water lines inside the City limits. We need to discuss this because it is a big input on the budget and as well that the very next year we need to discuss the quarter cent sales tax that is currently going to the jail. I remember when the local sheriff was trying to sale the jail the quarter cent sales tax would only be needed for the construction and would not be need for operation. This being the case there is a quarter cent sales tax that will be available. All we can do is present it to the public stating we have some dire needs such as streets, roads, water, and sewer line. If the public believes we

have these needs then they will help us with them. We need to explore the quarter cent sales tax quickly.

Mitchell stated at this point we have only generated about \$170 or \$180 in impact fees. You could do some smaller projects with this revenue but it would take a long time to build, say the Nine Mile Sewer line. This is a \$7,000,000 or \$8,000,000 project.

Mayor Purcell stated just so everyone knows the \$8,000,000 for the Nine Mile Creek Project is one of the things we have asked the State for help on. There are no promises we will get it but hopefully they will give us some help.

Shanklin asked on the Nine Mile. Mayor Purcell stated yes. One of the projects in the \$40,000,000 is the \$8,000,000 for the Nine Mile Creek sewer system. Patton asked if this was the cost of the project. Mayor Purcell stated this is the estimated cost. Jackson stated between \$8,000,000 and \$9,000,000. Mitchell stated this was engineering, right-of-way and everything all together. This is not just construction.

Mayor Purcell asked if there were any more questions of Mitchell. We are going to try and do Public Works tonight as a department but we need to finish this up. There were none. Mitchell asked the Council focus on the uncontrollable expenses and the revenues.

Mayor Purcell stated tonight we are going to try and do Public Works. This might as well be done first because this is the largest chunk of the budget. Thirty-seven percent of the expenditures go to Public Works. Mayor Purcell stated we will be starting on page ninety in book number two.

Ihler stated as they have done the last three or four years this would be a similar presentation. All were here last year so he would just like go through each division. Public Works is made up of about 298 people. We have 17 divisions in Public Works. He took the opportunity to introduce each individual that oversees each Division. Engineering is Mike Johnson, Water/Wastewater Division is Gary Smith and he over sees the Wastewater Treatment Plant. Patricia Hale is the Superintendent who will be with us about one more week. She is moving to bigger and better things at Goodyear and in the interim Ransom Chrisp will be the Acting Superintendent. Water Treatment Plant is Dave Herring, and Water Distribution is Johnny Payne. The Deputy Director over Operations is Carl Dentler and he oversees Solid Waste Collections Jarold Woods. This will be his last budget because he is going to retire by the end of the year. Solid Waste Disposal/Landfill is Jim Bonnarens, Street Superintendent/Drainage Maintenance Superintendent is Dave Tracey, Equipment Maintenance is Dennis Bothell, Animal Welfare is Rose Wilson. The Assistant Director of Sewer Rehabilitation is Rusty Whisenhunt and the divisions that he oversees is Sewer Technical Division is Buddy Bridges, Construction Division is overseen by Rusty, Wastewater Collections/Wastewater Maintenance is Billy Chandler. We have relocated the Traffic Engineer from Community Services to Public Works Admin and Ram Ramachandra is the Traffic Engineer and he will oversee the Superintendent of Electronic Maintenance Dave Dixon, and the Traffic Control Group.

Ihler stated we would like to show you the change in personnel for next years budget in comparison to this year and also explain the funding sources and the functions of the special divisions. When you look at your budget we broke out the personnel that were working in the Street Department that deal with the Sign Department and the stripping and painting of the parking areas and the streets. We broke these out to report to the Traffic Engineer. This doesn't mean that they want have any functions as it relates to the Street Department because they are also the crack sealing crew and some other functions. There are ten position moved from Streets to Traffic that will be reporting to the Traffic Engineer.

Ihler stated the Manager mentioned there are nine positions that the City is increasing. One of those is at the Water Treatment Plant. This is associated with we have added a Lab Technician and basically this is to address the EPA Stage II Disinfected By-Product Rule. This is another unfunded mandate. This went into effect in January of this year and we are required to take additional sampling for public health matter as it relates to a micro-organism at Lake Lawtonka. About five years ago there was an outbreak in Milwaukee and there were several people killed as a result of this. EPA has made some changes and now we have to do some special sampling that is above and beyond what is being done today.

Ihler stated the other area deals with our distribution system. We have to take sampling put together a plan and sample our tri-halamethane and THM and HAA. These are EPA requirement that are linked to carcinogenetic areas and we are required to monitor those areas and do a plan of taking samples throughout the distribution system and put together a plan and find our very worse cases as far as where are the highest levels of THM and HAA s recorded. We have to put together this plan and continue to take sampling in the future. This is the reason for the position.

Ihler stated number three is the Animal Welfare s capital outlay and it is funded by the animal license fund. Note number four is the Sewer System Technical Division and the Sewer Construction Division. They are funded by the 2005 Capital Improvement Program and an EPA Grant through the Oklahoma Water Resources Board. Phase II is estimated at about \$29,000,000. The reason for the \$29,000,000 verses the \$28,000,000 when we originally started Phase II was we agreed with DEQ that we would move up a Phase II project in the Wolf Creek Area. We

will be doing this project earlier to help with future development and help address the majority of the overflows that remain.

Ihler stated note number five Drainage Maintenance is funded by a one dollar charge on the water utility bill. This started in 1992 and we have been able to operate up until now with the one dollar. The one dollar generates approximately \$415,000 and now we are up in the area of \$600,000 just for personnel and operational cost without any Capital Outlay. This is the reason for the fifty cent increase.

Ihler stated one area in regards to personnel that deals with right-of-way acquisition are in the Legal Department at this time. The individual that deals with the right-of-way acquisition as it deals for acquiring the properties is being considered to be moved over to the engineering department. The other person that deals with reviewing the plats and legal descriptions will be moved to the Planning Department because they deal with the platting process everyday. This is not shown in the budget. If this is something that Council accepts and is in favor of then these changes would be made later on in the budget process.

Ihler stated next is a preliminary summary of Public Works departmental budget by division. This is just a comparison of this year's budget with last year's budget. We are doing one thing different this year as it relates to city wide. In 114 it shows the expenditure for Equipment Maintenance. If you look at the 204 Account, the petroleum, last year's budget for Equipment Maintenance was \$17,000. This year's budget for Equipment Maintenance is \$1,250,340. We don't have that much workload that we increasing that we need that fuel for Equipment Maintenance but we are placing all the fuel for the entire City has been placed in the Equipment Maintenance budget. Equipment Maintenance will monitor how much fuel each division is using. This will keep us from doing a charge back to each division which creates a lot of work.

We will monitor how much each division is utilizing and provide them a monthly report. This will save some time and money.

Ihler stated also if you look at their 214 Account for last year, which is maintenance and material for motor equipment was \$14,000. This year it is \$637,650. Again any maintenance that is required on a vehicle will go through Equipment Maintenance. This will actually provide the ability to keep better track as to what is being spent on all equipment.

Shanklin asked if the Landfill was in this price. Ihler stated as far as maintenance for the Landfill is contracted out. On the heavy equipment because it is contracted out this is in his 211 Account.

Ihler stated to go through the chances compared to last year if you look at the Water Treatment Plant you see an increase of 10.86%. The reason for this is the increase in the cost for chemicals. Chemicals increased in December about 40%. Most of the chemicals as a result of the fuel increases and trucking the chemicals here as well as Hurricane Katrina played a role in the increase in chemicals. There was a \$200,000 reduction in our budget from this area from our requested amount. Basically we utilized our existing prices and the amount of poundage we utilize as we utilize them today. We based this on 20,000,000 gallons an average day usage. If our average is 20,000,000 gallons a day or in the neighborhood then because we have a reduction of \$200,000 we will have to come back sometime towards the end of next year and do a budget adjustment. If there is no extended drought and the growth then we will be fine.

Ihler stated number two deals with Electronic Maintenance. There is a 14.6% increase. This is a result of our utility cost or electrical cost as it relates to our traffic signals. We are estimating about a \$45,000 increase. We saw this starting to take place towards the end of this year. Mr. Dixon has done a wonderful job by looking closely at the electrical bills and has identified some signals. The last two months bills have been zero because of things he has identified.

Ihler stated number three deals with Wastewater Maintenance. You see a 22.7% increase in their capital outlay for that division in comparison to last year. There are 17 division and we receive X number of dollars every year and some years one divisions capital outlay might be higher than others. There is discrepancy division by division but not as a department as a whole. This year they will be purchasing a vac truck and an easement rodder. The vacuum truck is to help clean out the sewer lines. In order to purchase this we have to do a three year lease purchase.

Ihler stated number four shows the Public Works Department budget incorporates the maintenance cost for the entire City as well as the fuel for the entire City.

Ihler stated number five shows a 13.96% increase as it relates to Sewer Construction. This is the increase in the cost of materials.

Ihler stated number six there is a large increase as it relates to the Animal Shelter. If you recall we tried to go out for bids on a veterinarian clinic and the bids were too high. We decided to back up and do something different.

This year we are going to try to put together a combined office for the existing facility and add the veterinarian facility. This is the reason for the big increase.

Ihler stated overall the Public Works Department budget as it relates to those departments you see a 7.15% increase. The majority of this is the personnel cost and the increases in the overall material cost. The \$750,390 that you see below the preliminary budget is how much goes to the other departments as it relates to the City of Lawton.

Ihler stated when looking in the budget book and you compare each division to the chart there will be a slight difference in the cost because Equipment Maintenance in the budget book includes all the fuel cost and motive maintenance materials.

Ihler stated there really was not much change from last year. Included under Wastewater is the Sewer Rehab Program and this is about \$4.2 million this year. Nothing changed more than a half of a percent from last year. Solid Waste, which is refuse collection and the landfill they went down one half percent and water went up a half of a percent because of the cost of chemicals.

Ihler stated based on the charges the biggest change is materials and supplies, which is expected due to the cost of fuel, concrete, asphalt, and pipe. This went up about 3.3% in comparison to last year. This was made up because personnel services went down about 3.1% in comparison to last year.

Shanklin asked on the Water Treatment Plant he thought the chemicals went up \$1,000,000. Ihler stated because of the budget adjustment this years cost was about \$965,000. In next years budget we had requested \$1.3 million and \$1.1 million is what is in the budget. Shanklin asked if this was included in the materials and supplies. Ihler stated yes. This is one of the reasons the materials and supplies went up.

Shanklin asked in the lease purchase are we in the second or third year. Ihler asked for which piece of equipment. Shanklin stated any of it. Ihler stated some are in the third year and some will be starting our first year. Shanklin asked if leasing was profitable to the City as far as maintenance. Ihler stated yes. He would have a chart later that will show why we are leasing.

Ihler stated when you think about Public Works we use a lot of fuel. Mitchell indicated about \$1,000,000 is fuel for Public Works. We use a lot of pipe for water distribution, sewer rehab and wastewater collection. We also do a lot of asphalt and concrete. When you look at the increases today in comparison to last year at this time the one that really hurts the Sewer Rehab Program is the 8 poly pipe has increased about 95%. This makes it tough to stay within the budget when you get those kinds of increases. Our 211 Account, which is our materials account, the City Manager raised this from \$850,000 to \$1,000,000. This is about a 17% increase over last year s budget. When you look at the cost of asphalt and concrete going up 27% and 19% we are actually losing a little ground. Unleaded fuel is up 52% and 40% for diesel.

Ihler stated their biggest need is capital outlay. We had right at a \$1,000,000 for their general funded accounts, \$144,000 is going to the poly carts, so basically the 13 divisions have \$865,800 to go around. Looking back at the 1996-1997 time frame when we started the rolling charge these same groups used to get somewhere in the neighborhood of 1.6 to 1.8 million. It continues to dwindle and dwindle over time.

Ihler stated he would like for Council to say the future is now and we need to think about this. Where are the funds going to come from? The City Manager and Councilman Jackson talked about a quarter or half percent cent sales tax and how it would generate \$2,000,000 a year. Certainly this would go a long way towards taking care of some of the capital outlay problems.

Ihler stated we have created some criteria and it is a Public Works replacement summary. Criteria A is basically for priority consideration and would have the top rated criteria. Those in this category should have the highest priority. This is only our rolling stock. Those vehicles that have over 125,000 miles or are over ten years old and the maintenance cost have exceeded 50% of the original cost of the equipment.

Ihler stated the second criteria is 125,000 miles and ten years old and third 125,000 miles or ten years old. Criteria D is 50% of the original cost. All equipment in one of these criteria s should be replaced. When you look at this we have 262 pieces of rolling stock in the Public Works Department and 114 should have been replaced by now. So 44% of the rolling stock needs to be replaced and if you use today s replacement cost this is a need of \$6,758,677. You can see the need that we have, not just in Public Works but all departments, there is a desperate need to come up with a funding source whether it be a sales tax. Ihler likes a half cent sales tax as it relates to a quarter cent and a quarter cent for capital outlay. There is a desperate need to do this and we need to move forward. How many in category A do you think are in our capital outlay for this year to be replaced? None. Because we have equipment that deals with the landfill and solid waste collection that deal with public health and safety that we have to replace. This equipment comes first before most of the other equipment. Again this is only rolling stock. This doesn t include pumps that need to be replaced at the Wastewater or Water Plant, or

computers, any of the other aspects from the other 13 division that aren't on wheels. Ihler hoped he has shown the need we have for capital Outlay replacement.

Shanklin asked if this is accumulative on the maintenance from the time you buy until it hits the criteria of 50%. Ihler stated yes. This is the accumulative maintenance they have spent on the equipment to date. Shanklin asked from day one. Ihler stated yes. Also understand in the past when we replaced we have only keep track of the cost of parts. We have not included labor in those costs. From this point forward starting in July we will include the labor cost to make those repairs. Shanklin stated in Category C you have 79 vehicles. Ihler stated those vehicle have 125,000 miles or are ten years or older. Shanklin asked if the manufacture made any difference as to which one out performs the other. Ihler stated there are some pieces of equipment that one manufactures compactor we feel may be better than another. Hopefully when we write the specs we don't write them around that but if there is one that we don't feel is good.

Ihler stated a couple of the vehicles that are in the Category 12 is a pickup truck with 207,000 miles, one 209,000, a one ton truck that has 409,000 and these are some of the types of vehicles we are dealing with. Maintenance cost on some of these is unbelievable.

Ihler stated he wanted to show how far \$865,000 goes or does not go. The original price on a 1992 dozer was \$262,000 and the current replacement price is \$550,000. The original price on a compactor was \$216,000 and now is it \$575,000. If we buy it right out we get one piece of equipment which doesn't go very far. This is why we do the lease purchase. A 1994 Scraper is \$575,000, the garbage trucks required for the new program is \$190,000 and we will only be buying one. Last year when we bought trucks they were \$98,500. This is a 93% increase.

Shanklin asked if this was almost a 100% increase. Ihler stated yes. Shanklin asked for what reason. Ihler stated to understand we are switching the types of trucks. We are going to the fully automated which has more hydraulics and they are bigger trucks. We are going to the 31 or 33 yard truck depending upon the maker. This is really not a fair apple to apple comparison but an apple to apple comparison to last years \$98,500 is in the neighborhood of \$150,000. So you see a 50% increase and again the price of steel and everything it takes to make the trucks.

Haywood asked when the trucks were empty how much they weighed. Ihler stated somewhere around 38,000. Haywood asked when they were loaded what they weighed. Ihler stated 50,000 to 54,000. Haywood stated this is hard on the streets. Ihler agreed. This is why we have pushed for years to increase our street standards.

Mayor Purcell asked on page 115 where it shows you are buying the automated side arm packer when do you plan to buy the truck. Ihler stated this is not my decision. Last year we were fortunate to buy the truck in the first quarter. This is the Finance Director and the City Managers decision. Mitchell stated once we have an approved list of Capital Outlay total then we break it down by quarter and try to spread it out over the four quarters.

Ihler stated one of the things at the Landfill they were doing is changing some operation. We believe it will lower our maintenance cost, save some airspace and eliminate some of the capital cost. We will be buying one new scraper and trading in both scrapers we have and change the way we cover our working face. Instead of using the dirt we will go to an alternate daily cover that has a spray that will save airspace as well as fuel from using the second scraper to provide the dirt. One thing Ihler asked since Capital Outlay is very tight for Public Works is that we will be going out to put the scrapers on the internet or special sales location in advertising, in the budget we have it projected based on talking to salesman what the trade in value would be. We would ask if we are successful by selling it outright on the market and any savings that is received above and beyond what we have budgeted for be allowed to dig into some of the back log in Capital Outlay as we have put together priority for Public Works that we can utilize those funds if we have any savings through the process.

Shanklin asked how much money was spent last year on the scrapers. Ihler asked if he was referring to maintenance. Shanklin stated yes. Ihler stated probably in the neighborhood of \$40,000 to \$45,000. Shanklin asked if lease/purchase was a better deal. Ihler stated this is one of the things we are doing. When we buy the scraper we will do a lease purchase option with a guaranteed buy back at the end of four years or 8,000 hours. Then we will put it up for sale prior to the buy back to see if we can sell it for more than the buy back. Once you get after year three the maintenance cost starts to escalate on these vehicles. This is why we bid with a four year buy back. This way you reduce your maintenance cost overall on the equipment.

Shanklin stated lots of people are using back hoes and big dump trucks other than the scraper. Have you looked at this? Ihler stated yes they did. There is no way under the current operations this would keep up and be cost effective. Shanklin asked if manpower was the difference. Ihler stated the time it takes and the amount of dirt and the time to fill two five or ten yard dump trucks in comparison to the scraper coming by and picking it up and taking it and dumping it was not cost effective. Shanklin asked if Ihler thought anyone in Oklahoma City was doing this. Ihler stated he was sure someone maybe doing this. Shanklin stated the private sector is doing it. Ihler stated he didn't know the size of their landfill and the volume coming in. Shanklin stated it was the one right off of 240. Ihler stated he didn't know their operations. Ihler told Shanklin he had materials on this he would send to

him.

Ihler stated the purpose of this was to show the cost of maintaining heavy equipment and why we began the buy-back program. The downside to the buy-back program is every four years you are replacing the piece of equipment. This is actually not a downside this is an upside but when your capital outlay is \$800,000 a year and you have to replace every piece of equipment every four or five years there just isn't enough money to do this. This is the reason the City Manager and myself are pushing very hard for a half a cent sales tax.

Shanklin asked if we were the only City that has money problems. Ihler stated no we are no different than any other community.

Ihler stated you saw the survey of how successful the PILOT Program and how the citizens who participated in the program appeared to be positive so we are continuing one with year two. The service areas that we are covering in year two will be south of Rogers Lane between Roger Lane and Quannah Parker Trail just east of 52nd Street. This would be Councilman Shoemate's ward. Then in Councilman Warren's ward west of 52nd Street and south of Rogers Lane. In Councilman Shanklin and Givens it will be Cache Road to Gore Blvd. east of Sheridan between 17th and Sheridan.

Shanklin asked when this would be done. Ihler stated in the next year's budget. We will purchase the containers. The first year we choose Jackson and Drewry's ward and they received the containers and utilizing them the first year. Year two we will buy the containers for the other wards. We have chosen three routes this year instead of two. We will place the containers and they will get a year's worth of experience and then Councilperson Jackson and Drewry will be utilizing the fully automatic truck this year. This truck will reduce from three men to one person. This is why it is critical and important that everything goes into the container. Shanklin asked if this was different than what we just looked at. Ihler stated if the process remains the same, if we are allowed to purchase in the first or second quarter, or this timeframe, then probably January or February these areas will be put into effect.

Shanklin asked if we had to go through the same naysayer again, is this right? Ihler stated if they are in these wards. Shanklin stated we had naysayer in the other wards. Purcell stated to tell them to talk to the one in the wards that are doing them now and love it.

Patton asked how much the containers would cost. Ihler stated \$144,000 in this year's budget. This time we picked three routes that are setup. As it will turn out Councilman Patton is the only ward, after the first two years, we will not have touched. The following year his will be the first ward we go ahead with so everybody gets the opportunity to utilize those.

Mayor Purcell asked on the number of containers we are buying and they will all be in the price of the \$144,000 and will be the same size we have now which is great. Have we given any thought to buying a number of the smaller containers that will work with the trucks for those who say we don't need the ninety-five gallon we want a forty-five gallon. Ihler stated we talked about sixty-five gallon containers and we decided not to confuse the issue. We were just beginning the program and we didn't want to get into this area. It was decided to buy all ninety-five gallon containers. As far as mobilizing and operating and pushing the container actually the ninety-five gallon container is easier to handle than the sixty-five gallon container. But we can do this if the Council wishes. Mayor Purcell stated Council is getting phone calls and well as myself and it is probably a perception thing. It maybe easier to move the ninety-five gallon but some people perceive if they had a sixty-five or smaller size it would be easier.

Drewry stated she doesn't know that it is easier but she would like to see a container and try it out. You know as we get older we shrink and the ninety-five is pretty tall. Ihler stated they could bring some samples. Drewry stated this would be a good idea. Mayor Purcell stated to bring some samples but before we go buy the ninety-five gallon that maybe we buy a couple hundred of the smaller ones. It should be done on the new routes but on the old routes we could just trade with them.

Shanklin stated you might put out a survey to those who are in the program as to whether or not a sixty-five gallon would handle their needs. If so we buy sixty-five and change them out and use the ninety-five to another area. Ihler stated they could do this. Mayor Purcell stated this is what I'm saying. There has been people who call and want a smaller container.

Shanklin asked if we have had any theft. Ihler stated two containers have been stolen. Shanklin stated he knows where there are six. Ihler stated there has been four reported and then they two were found. Jackson asked if they had found Mr. Holmes. Ihler stated no. We have not been able to find his. Patton asked what you would do with a ninety-five gallon container. Jackson stated they put them in their garage. Ihler stated or they move and take them.

Ihler stated in Councilman Haywood's ward will be east of 11th Street and west of 6th Street and south of Bishop

between Bishop and Coombs. Haywood asked if this was Capital Hill and Ranch Oaks. Ihler stated yes. Another area of Councilman Haywood's is Airport. This is three routes that we currently have.

Ihler stated in regards to Drainage Maintenance we know that you are increasing and we are asking to increase the rates from \$1.00 to \$1.50. This is the best deal for your money. Last year from the drainage revenues we added mosquito abatement. We use to pay the County \$108,000 to do mosquito abatement and now we have moved this to Drainage Maintenance. This is incorporated in the \$1.50.

Jackson stated this dollar was instituted for drainage maintenance back in the mid-80's. Ihler stated 1992. Jackson stated the idea at that time was to simply offset the cost in Public Works. It wasn't to create an entire new department to start cleaning drainage maintenance. It was just to help offset the cost. Now we have decided it will be a full blown department. This was determined several years ago. A full drainage maintenance abatement program is financed out of this \$1.00? Ihler stated the entire drainage maintenance has nine people and some summer help and that includes the mosquito abatement. Ihler didn't remember the number of employees but back then we had more people that we utilized for the mowing. We have become more efficient with the mowing by buying larger tractors that are able to mow greater areas though the drainage areas along the creeks. We have been able to reduce the number of contract labor and summer help that we use. When we started this it was only monies that could be used on drainage maintenance. Jackson stated he realized that but we also spent some additional Public Works money on drainage maintenance also. The reason for his questions is he hates to see us depend upon the \$1.00 to where now we need to put another .50 on the water bills for this service. Ihler stated the only other alternative is not to provide this service. Jackson stated we could reduce the service.

Jackson stated he still has mosquitos in this area. Drewry stated for Ihler to give McConnell one of the handout for the newspaper. Ihler stated McConnell did an excellent story about two weeks ago on the Mosquito Man. We have handed out the educational pamphlet we are utilizing for the mosquito abatement. We get a lot of calls about spraying and we don't spray. We don't feel this is effective and it is not a good utilization of the limited dollars that we have for mosquito abatement. We use the pellets and try to get them at the larva. The pellets are placed in the creeks and channels and the areas that store water. It is very hard to kill adult mosquitos by spraying. Jackson asked if the County still did some spraying. Ihler stated no.

Drewry asked if the pellets were harmful to animals. Ihler stated no. Drewry stated people need to realize this because you leave water out for your dogs and it will not harm them.

Ihler stated the Animal Shelter needs your help. We had asked for some positions in the budget and have asked for many years as it relates to Animal Welfare. We have four Field officers that cover the community seven days a week twenty-four hours a day. They can't do it. It just can't be covered.

Shanklin asked if we were still euthanizing the same number we were twenty years ago, about 6,000 a year? Ihler stated the number is coming down. We are adopting more and euthanizing less. Shanklin asked how much less? Ihler stated the number has been reduced from about 6,000 to 4,500. We are adopting more than we have in the past. We adopt more and euthanize less. Mitchell asked Ihler if the planned improvements with your expansion may also help that number come down. Ihler stated yes.

Patton asked how long it would take to get the \$200,000 in that account. Ihler asked Smith or Wilson how much the licenses funds collect on an annual basis. Smith stated around \$16,000 so many years. The other fund, the spayed and neutered, there is about \$20,000 to \$25,000 a year. It took a long time to get enough money to do this. They are looking at some revisions to the licensing and the process. We are looking at the cost for the licenses and would like for you to consider, if we are able to fund some changes, it would be an increase in the cost of licensing to help pay for the Animal Welfare Officer to offset the cost.

Drewry stated she didn't believe it was the cost. She feels it is the number of people who don't buy a license for their dog. Ihler agreed. Drewry stated people just don't do it. They keep their dog in and no one knows. Shanklin asked if you had to go to the Animal Shelter to get the license for the dog. Ihler stated yes. Shanklin stated that is one reason. Ihler stated he wants to mention one thing as it relates to the Animal Shelter. A letter was sent out to the Council a couple of weeks ago dealing with new hours. Right now we are open to the public from 11:00 a.m. to 5:00 p.m. Monday through Friday. Starting June 6th the new ours will be 11:00 a.m. to 6:00 p.m. Tuesday through Friday. This will give them an hour four days a week so after work they can come to the Shelter and have access to the kennel. And on Saturday from 10:00 a.m. to 2:00 p.m. We will be moving the Pet of the Week and the Monday morning drawing will be moved from Monday to Saturday at noon. Hopefully this will allow more people who will be able to come to the Shelter. This will provide a better timeframe the citizens can come to the Animal Shelter.

Mayor Purcell stated he didn't see in the budget, and maybe because it is a small amount, but he has had phone calls in the last month about cages for trapping cats. Supposedly we only have one, two or three. Is there valid and do we have anything in the budget to increase those numbers. Ihler stated no. Mayor Purcell asked if this would be under Capital Outlay if we were to do something of this nature. Ihler stated no those would probably come from the 211 Account. Ihler asked Wilson what the deposit was for a cage. Wilson stated \$50.00. Ihler

stated this is refundable when the cage is returned. Mayor Purcell asked what the cost of the cage was. Shanklin stated \$50.00. Mayor Purcell stated the issue was we didn't have enough cages. Is this true or not. I want to make sure you have enough in your budget for next year to buy a few more cages. Ihler stated we have about forty cages. Mayor Purcell stated he was misinformed.

Ihler stated in summarizing Public Works again the critical need is Capital Outlay. Our budget was up 7% over last year and this is material cost and personnel. I would ask that you consider some type of sales tax for additional funds because it is desperately needed.

Warren asked how the Council wanted to attack this. Do we want to wait until everyone has had their say and then go back and make changes that we want to make or do we want to discuss this as we go through each department. How do you want to do this? Givens stated we should do it as we go along or we will forget what we were talking about.

Patton stated if we do that it will hurt the people who are at the very end of the deal. You might run out of money. Givens stated this is the way we did it last year. Mayor Purcell stated we will start a list. Patton stated this is what he means you may be more generous in the beginning.

Warren stated he sees there is a real bad problem this Capital Outlay. Would it be better to decide what we might want to do to fix the problem overall to start with. He went through and picked out the stuff he feels is important, all of it is important, but things like when you look at Public Works and Water Distribution and things that are actually bringing money in, if we are not keeping up with the repairs and maintenance of the equipment we are costing ourselves money in more ways than one.

Warren stated he didn't have a problem with the sales tax idea but the issue is time. We need to do this in the middle of the year and be ready for the budget. If we start the process now it will be December or January before we can start collecting any money. Basically we have wasted half a year in sales tax. Drewry stated this is correct but we need to go ahead. Warren agreed the process needed to be started.

Mayor Purcell asked when the Goodyear sales tax would run out. Mitchell stated June 2007. Mayor Purcell stated when we vote on this, if it is to replace it, then it would not go into effect until July 1 2007. This would be next year's budget.

Warren stated what he was looking at, and he didn't know if anyone would be willing to discuss the Rolling Stock Fee, but one of the important things to understand is it buys half of what it used to. It was a wonderful idea but it went too many years without happening and this caused the problem. Now what we have done is left the \$3.00 there thinking this was a lot of money and we are making headway but we haven't increased the amount in the last ten years. It now buys half of what it used to. Is there any willingness to move on this because we could solve some problems?

Patton stated he would be very reluctant because the buck stops here with us. Each year there is a set amount of money appropriated and it is up to us to make sure we are investing in the Rolling Stock and not just what comes off the utility bill but also to make the necessary expenditures within the revenues we receive. He would be very careful. We are talking about sales taxes and everything else and at some point something has to give. When you look at the increases we have had as far as expenditures as well as our revenues he feels the citizens are going to get fed up at some point and say we need to use the money we have and make it work. As far as the infrastructure needs that we need for BRAC, a half cent is something that is viable and something we could discuss and go to the people. We need to be very careful in adding additional things to the utility bill.

Warren stated he understands what he is saying but you have to understand if this is the path we are going to take then we are not going to make any additions for the next year and half to two years. He stated he didn't know how many were counting on the quarter cent jail tax to come off but it will not happen. The jail will not operate without the tax. Shanklin stated he wasn't counting on it. How many people is out there that wants it for another item or project. Somewhere down the line you have to get these people together to include the Chamber, County and all the others.

Mayor Purcell stated the original question and was are we going to a running list like we did last year. Drewry stated she felt we needed to do so. Mayor Purcell stated to see where we wind up and how many dollars. We may have to shift dollars around. We are either going to shift them around, from what the Manager proposed, or we are going to increase something to make up for things, or scratch the things at the end of the list.

Warren suggested starting two lists. One for Rolling Stock and one for General. Then if we want to do something with Rolling Stock we can do it at the end. Jackson stated we could always go back and readdress it.

Shanklin stated Warren made derogatory remarks on Ihler's deal so evidentially on this one the score is zero. Unless you have something. Warren asked what he meant. Shanklin stated in Public Works. He needs money for

Rolling Stock. Warren stated exactly. Shanklin stated well you are the best at taking \$50 off of this one and put it over here with \$35 over here and give this one \$85. I m not interested in that game. We didn t do that tonight.

Warren stated this is what we are deciding. I can give you a list of \$321,000 in Rolling Stock in Public Works budget. I have a list but this is my question, do we want to start the list right now or wait until the very end.

Mayor Purcell stated he felt you have to start it now because by the time you get to the end you forget.

Shanklin asked how much, was it \$800,000? Warren stated his list is to add a sweeper for \$130,000, the trailer tire pot for \$34,000, this is \$164,000 on this page. Givens stated he felt that later we should have a general discussion on whether we want to increase the Rolling Stock and let them pick which unfunded items the Department wants.

Mayor Purcell stated he is trying to come up with a dollar amount. Givens stated he understands that but do you know exactly which one of these has priority. Warren stated Ihler wants all of them. If we can take our list and get a number then Ihler can say rather than those eighteen I d rather have these sixteen and this one over here. Once we get a dollar amount then what we did last year was we said this if the dollar amount the department has and you choose your equipment.

Givens stated he is not opposed to a two increase to the Rolling Stocks. Mayor Purcell stated that we may get to this. Warren stated this is where he is going. He was going to propose \$3.00 which would double it getting us back to where we were when we started. And this would generate about \$1.05 million dollars. Givens stated then \$2.00 would be about \$940,000. Warren stated this is kind of where he is at and he was going to go down the list to see if we could get the numbers.

Mayor Purcell asked if it was double it would be \$1.4. Warren stated he didn t come up with the full \$1.4. Two dollars wouldn t get us there but three would. Once we get a number then we can decide how much it would have to be.

Mayor Purcell stated you have only given us two so let s keep going. Warren stated for Water Distribution Activity 78 \$64,000 for backhoe, \$86,100 for three one ton trucks with cranes, \$80,000 one medium size track hoe with front blade, \$91,200 a ten wheel low boy trailer, \$45,000 three low boy trailers. Mayor Purcell stated Warren was over his \$300,000. Warren stated that was just one page.

Givens asked what he had against the light tower. Warren stated he just took what looked like the most important to him. Ihler can do what he wants once a dollar amount is arrived at.

Warren stated under Activity 86 \$90,000 excavator and this is all for Public Works. Mayor Purcell stated this is the beginning of the list Mr. Manager. The Non-Rolling Stock which would be salaries to add one Animal Welfare Officer for \$35,000 or 36,000. Mayor Purcell stated what he was saying on the personnel side on page 19.

Givens stated he thought he had a recommendation along with the personnel. You had talked about increasing fees. Warren stated Ihler had talked about this. They are looking at some of the fees and things like this that should offset part of the officer. For lack of real numbers we will add it in right now.

Mayor Purcell asked if the one he was referring to on page 19 is one of the two animal welfare officers which will be around \$34,000. Warren stated yes.

Mayor Purcell asked if anyone else had anything to add to the list. We will have to go over this again but it will be easier to make the list and hard to figure out how you are going to fund it. Patton asked if they would be receiving a revised list. We it be updated if I can t follow along. Purcell stated if you recall they did a running list of each meeting. Mitchell stated the fund balance is now down to about \$1.4.

Mayor Purcell asked if there was anything else. Givens asked what the 3 % increase on the base water bill would amount to on an average water bill. Mayor Purcell stated this was on the chart in the book. This is in the budget.

Mitchell stated it would be about twenty cents. Givens asked a month. Mitchell stated the base fee is \$8.25 or \$8.24 so 3 % would be twenty-five cents.

Mayor Purcell stated to look at page the next to the last page behind the tab called budget summary in the Preliminary Budget. There is a chart to show you what it is.

Mayor Purcell asked if there was anything else for tonight. We are back here Thursday night, same time same place. Mitchell stated we will be talking about the Parks and Rec Department. Warren stated he had some additions for them also.

Mayor Purcell stated before they adjourned he wanted to inform them of something that went on today. He spent from 8:00 a.m. to 4:00 p.m. at Ft. Sill today meeting with folks from Ft. Bliss. They invited him to sit in on some of their briefings. If you think we have problems on expansion of BRAC you need to listen to the problem Ft. Sill has.

One of the things that came out of this after speaking with the folks from Ft. Bliss, I have committed to the CG that we would send a team to Ft. Bliss for about three days. Some of the people on the team have already agreed to go

tentatively if it works for Ft. Bliss the 12th, 13th, and 14th of June. We are going to send a team down there consisting of folks like the President of Cameron, Barry Beauchamp Lawton Public School, the President of the Home Builders Association, President of the Board of Realtors, someone from the hospital, etc. This will be a group of people that can specifically go down and brief and answer their questions. There are rumors down there such as they thought we only had one high school. Another question was will they have a place for a senior to play football. When you put these two together you understand. Today there was a question asking if there is a band in the school. They have a lot of question. We are going to take a group down there and answer their questions. They are excited we are going to do this. Drewry stated this is a good idea. Mayor Purcell stated it was like a marketing thing but will be controlled at our level. Mitchell and I will be meeting with two people tomorrow at lunch to talk about who should go and talk about the briefing charts. This is a perception problem. They don't know. Those that were here were here forty years ago. So what do they remember about Ft. Sill forty years ago.

Givens stated there are some great websites they can look at. Mayor Purcell stated this doesn't answer their questions. What we have is the command group that was here, the CG and the Assistant Commandant and his entire command group, they have a better feeling of what we have available. They have a major problem they are concerned about. They have some 400,000 plus civilians that work in the air defense school. They have about 900 military. The military have to go where the Army says go but the civilians have a choice. They are concerned because they need the expertise of these civilians that we can't feel from people who are living in Lawton, Oklahoma. We are trying to help them convince these people that Lawton is a neat place to live.

Mitchell stated in the materials they received tonight was a letter to let you know there are some public hearings coming up on the Section 108 and BEDI grant. We will have our final hearing at the City Council on June 13 and the submission date is June 15.

Jackson stated he would not be available for the meeting on Thursday night. Drewry stated she would not either. Mayor Purcell asked Mitchell what was going to be done on Thursday night. Mitchell stated Parks and Rec. Mayor Purcell suggested for anyone who would be unable to attend if you have something you want brought up to contact another councilmember, the City Manager or himself so we can discuss your concerns.

Mayor Purcell stated Shoemate would not be here either will he. Mitchell stated no. Mayor Purcell stated it could be tight on Thursday night but that would be okay. We will have to have a quorum. Drewry stated if it could be started later she could attend. If it started at 7:00 p.m. she would be here. Mayor Purcell asked if anyone objected to moving the meeting to 7:00 p.m. All agreed. We have advertised for 6:00 p.m. and Vincent and I will be here at 6:00 p.m. but the meeting will not start until 7:00 p.m.

MOVED by Jackson, SECOND by Warren, to adjourn. AYE: Givens, Drewry, Jackson, Patton, Haywood, Warren. NAY: None. MOTION CARRIED.

There being no further business to consider, the meeting adjourned at 7:50 p.m. upon motion, second and roll call vote.

JOHN P. PURCELL, JR., MAYOR

ATTEST:

DENISE EZELL, DEPUTY CITY CLERK